

SEC. 643. DEATH BENEFITS ENHANCEMENT.

(a) Actions on Fiscal Year 2004 Death Benefits Study- (1) The Secretary of Defense shall expedite the completion and submission of the report, which was due on March 1, 2004, of the results of the study of the Federal death benefits for survivors of deceased members of the Armed Forces required by section 647(b) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136; 117 Stat. 1520).

(2) The President should promptly transmit to Congress any recommendation for legislation, together with a request for appropriations, that the President determines necessary to implement any death benefits enhancements that are recommended in the report referred to in paragraph(1).

(b) INCREASES OF DEATH GRATUITY CONSISTENT WITH INCREASES OF RATES OF BASIC PAY- Section 1478 of title 10, United States Code, is amended--

- (1) in subsection (a), by inserting `(as adjusted under subsection (c))' before the period at the end of the first sentence; and
- (2) by adding at the end the following new subsection:

`(c) Effective on the date on which rates of basic pay under section 204 of title 37 are increased under section 1009 of that title or any other provision of law, the amount of the death gratuity in effect under subsection (a) shall be increased by the same overall average percentage of the increase in the rates of basic pay taking effect on that date.'

(c) Fiscal Year 2005 Actions- At the same time that the President transmits to Congress the budget for fiscal year 2006 under section 1105(a) of title 31, United States Code, the President shall transmit to Congress assessments and recommendations regarding legislation on proposals that would provide enhanced death benefits for survivors of deceased members of the uniformed services. Those assessments and recommendations regarding legislation shall include provisions for the following:

- (1) Revision of the Servicemembers' Group Life Insurance program under chapter 19 of title 38, United States Code, to

provide for--

- (A) an increase in the maximum benefit amount provided under that program from \$250,000 to \$350,000;
 - (B) an increase, each fiscal year, in that maximum benefit amount by the same overall average percentage increase that takes effect during such fiscal year in the rates of basic pay under section 204 of title 37, United States Code; and
 - (C) a minimum benefit amount of \$100,000 at no cost to the insured members of the uniformed services who elect the maximum coverage, together with an increase in such minimum benefit each fiscal year by the same percentage increase as is described in subparagraph (B).
- (2) An additional set of death benefits for each member of the uniformed services who dies in the line of duty while on active duty that includes, at a minimum, an additional death gratuity in the amount that--
 - (A) in the case of a member not described in subparagraph (B), is equal to the sum of--
 - (i) the total amount of the basic pay to which the deceased member would have been entitled under section 204 of title 37, United States Code, if the member had not died and had continued to serve on active duty for an additional year; and
 - (ii) the total amount of all allowances and special pays that the member would have been entitled to receive under title 37, United States Code, over the one-year period beginning on the member's date of death as if the member had not died and had continued to serve on active duty for an additional year with the unit to which the member was assigned or detailed on such date; and
 - (B) in the case of a member who dies as a result of an injury caused by or incurred while exposed to hostile action (including any hostile fire or explosion and any hostile action from a terrorist source), is equal to twice the amount calculated under subparagraph (A).
- (3) Any other new death benefits or enhancement of existing death benefits that the President recommends.
- (4) Retroactive applicability of the benefits referred to in paragraph (2) and, as appropriate, the benefits recommended under paragraph (3) so as to provide the benefits--

- (A) for members of the uniformed services who die in line of duty on or after October 7, 2001, of a cause incurred or aggravated while deployed in support of Operation Enduring Freedom; and
- (B) for members of the uniformed services who die in line of duty on or after March 19, 2003, of a cause incurred or aggravated while deployed in support of Operation Iraqi Freedom.

(d) CONSULTATION- The President shall consult with the Secretary of Defense and the Secretary of Veterans Affairs in developing the assessments and recommendations required under subsection (c).

(e) Fiscal Year 2006 Budget Submission- The budget for fiscal year 2006 that is transmitted to Congress under section 1105(a) of title 31, United States Code, shall include assessments and recommendations on legislation (other than draft appropriations) that includes provisions that, on the basis of the assumption that any draft legislation transmitted under subsection (c) would be enacted and would take effect in fiscal year 2006--

- (1) would offset fully the increased outlays that would result from enactment of the provisions of any draft legislation transmitted under subsection (c), for fiscal year 2006 and each of the succeeding nine fiscal years;
- (2) expressly state that they are proposed for the purpose of the offset described in paragraph (1); and
- (3) are included in full in the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)) with respect to the fiscal years referred to in paragraph (1).

(f) EARLY SUBMISSION OF PROPOSAL FOR ADDITIONAL DEATH BENEFITS- Congress urges the President to transmit any draft of legislation for the additional set of death benefits under paragraph (2) of subsection (c) before the time for submission required under that subsection and as soon as is practicable after the date of the enactment of this Act.